GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:1190
ANSWERED ON:02.05.2016
Excess Mining
Mahto Dr. Banshilal

Will the Minister of MINES be pleased to state:

(a) Whether the Government has taken note that the various private sector companies that have been allocated mines blocks including coal blocks are mining iron-ore and manganese-ore more than permissible limit set by the authority:

(b) If so, the details thereof including the quantum of excess iron-ore and manganese-ore mined by them during the last three years, company-wise and State/UT-wise

(c) whether the Government has made an assessment of revenue loss incurred to the public exchequer due to this extra mining;

(d) if so, the details thereof; and

(e) the corrective steps taken by the Government in this regard?

Answer

(a) to (b): As per information received from Indian Bureau of Mines (IBM), (a subordinate office under the Ministry of Mines), there are a few instances of ore production in excess of the tentative annual production quantity indicated in the Mining Plan/ Scheme of mining, which have come to the notice of Indian Bureau of Mines during inspections particularly during 2013-14 and 2014-15. No such case has been observed during 2015-16.

In terms of section 5(2)(b) of the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act), a mining plan is essential for grant of mining lease for major minerals. The mining plan has details on the tentative scheme of mining and annual programme for excavation for a five year period, apart from other essential details on mineral reserves, geology, lithology, type of mining, rehabilitation and restoration of mining area etc. The IBM has been allowing deviation upto 20% of the tentative annual production indicated in the approved mining plan/scheme of mining. This relaxation is subject to the condition that the cumulative effect of deviation should not distort the approved ore to over-burden/waste ratio and result in significant shortfall in development work. Excess ore production, which is more than 20% of the tentative annual production quantity indicated in the mining plan, is considered as a contravention of the provisions of Mineral Conservation and Development Rules, 1988 (MCDR). Details of such instances observed for Iron ore and Manganese Ore in private sector during last three years is enclosed as Annexure-I.

(a) (c) to (e) Section 9 of the MMDR Act, 1957 provides that every leaseholder shall pay royalty to the State Governments for minerals removed or consumed from the lease area. State Governments collect royalty for the minerals removed or consumed from the lease area, including royalty on any reported excess ore produced. In case of contravention of Mineral Conservation and Development Rules, 1988 (MCDR), the IBM issues a violation notice in terms of provision of Rule 13(1) and Rule 45 of MCDR seeking rectifications in the mining operations by the lease holder. In case the lease holder fails to rectify the mining operations as per the violation notice, the Indian Bureau of Mines launches prosecution in the Courts. The IBM is also empowered to suspend mining operations for deviations by the miner from approved mining plan. In this regard, the corrective steps taken by the Government during last three years is also indicated in Annexure-I

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